		FOR OHF USE					

LL1

2004
STATE OF ILLINOIS
DEPARTMENT OF PUBLIC AID
FINANCIAL AND STATISTICAL REPORT FOR LONG-TERM CARE FACILITIES
(FISCAL YEAR 2004)

IMPORTANT NOTICE
THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

I. IDPH Facility ID Number: 0017319

Facility Name: ALDEN LAKELAND REHAB & HCC

Address: 820 WEST LAWRENCE AVE (Number) CHICAGO (City) 60640 (Zip Code)

County: COOK

Telephone Number: (773) 286-3883 **Fax #** (773) 286-3743

IDPA ID Number: 36-2687662

Date of Initial License for Current Owners: 01/01/72

Type of Ownership:

	VOLUNTARY,NON-PROFIT	X	PROPRIETARY		GOVERNMENTAL
	Charitable Corp.		Individual		State
	Trust		Partnership		County
IRS Exemption Code		X	Corporation		Other
			"Sub-S" Corp.		
			Limited Liability Co.		
			Trust		
			Other		

In the event there are further questions about this report, please contact:
Name: STEVEN M. KROLL **Telephone Number:** (773) 286-3883

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/04 to 12/31/04 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.

Officer or Administrator of Provider
(Signed) _____ (Date)
(Type or Print Name) _____
(Title) _____

Paid Preparer
(Signed) _____ (Date)
(Print Name and Title) _____
(Firm Name & Address) _____
(Telephone) ( ) Fax # ( )

MAIL TO: OFFICE OF HEALTH FINANCE
ILLINOIS DEPARTMENT OF PUBLIC AID
201 S. Grand Avenue East
Springfield, IL 62763-0001 **Phone # (217) 782-1630**

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 1/1/2004 Ending: 12/31/04

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days, (must agree with license). Date of change in licensed beds _____

	1 Beds at Beginning of Report Period	2 Licensure Level of Care	3 Beds at End of Report Period	4 Licensed Bed Days During Report Period	
1	300	Skilled (SNF)	300	109,800	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	300	TOTALS	300	109,800	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment: Public Aid Recipient	3 Private Pay	4 Other	5 Total	
8	SNF	18,961	991	6,532	26,484	8
9	SNF/PED					9
10	ICF	42,500	747		43,247	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	61,461	1,738	6,532	69,731	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 63.51%

D. How many bed-hold days during this year were paid by Public Aid?
0 (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients.
(E.g., day care, "meals on wheels", outpatient therapy)
n/a

F. Does the facility maintain a daily midnight census? YES

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
YES [ ] NO [X]

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?
YES [ ] NO [X]

I. On what date did you start providing long term care at this location?
Date started 1/1/72

J. Was the facility purchased or leased after January 1, 1978?
YES [ ] Date _____ NO [X]

K. Was the facility certified for Medicare during the reporting year?
YES [X] NO [ ] If YES, enter number of beds certified 178 and days of care provided 6,326

Medicare Intermediary ADMINISTAR FEDERAL

IV. ACCOUNTING BASIS

ACCRUAL [X] MODIFIED CASH* [ ] CASH* [ ]

Is your fiscal year identical to your tax year? YES [x] NO [ ]

Tax Year: 12/31/04 Fiscal Year: 12/31/04

* All facilities other than governmental must report on the accrual basis.

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 1/1/2004 Ending: 12/31/04

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger Salary/Wage 1	Supplies 2	Other 3	Total 4	Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR OHF USE ONLY 9	10	
	A. General Services											
1	Dietary	243,611	29,565	9,600	282,776	873	283,649		283,649			1
2	Food Purchase		497,142		497,142	(24,963)	472,179	(107,699)	364,480			2
3	Housekeeping	240,929	45,760		286,689	496	287,185		287,185			3
4	Laundry	83,326	25,753		109,079		109,079		109,079			4
5	Heat and Other Utilities			282,911	282,911		282,911	(1,078)	281,833			5
6	Maintenance	42,023	1,002	118,912	161,937	70	162,007	9,535	171,542			6
7	Other (specify):* Rel Party Salary							51,569	51,569			7
8	**TOTAL General Services**	609,889	599,222	411,423	1,620,534	(23,524)	1,597,010	(47,673)	1,549,337			8
	B. Health Care and Programs											
9	Medical Director			55,313	55,313		55,313		55,313			9
10	Nursing and Medical Records	2,512,197	164,764	17,733	2,694,694	6,725	2,701,419	(145,505)	2,555,914			10
10a	Therapy	25,596			25,596		25,596		25,596			10a
11	Activities	108,856	2,841	4,665	116,362	184	116,546		116,546			11
12	Social Services	75,654			75,654		75,654		75,654			12
13	Nurse Aide Training											13
14	Program Transportation											14
15	Other (specify):* Rel Party Salary							38,563	38,563			15
16	**TOTAL Health Care and Programs**	2,722,303	167,605	77,711	2,967,619	6,909	2,974,528	(106,942)	2,867,586			16
	C. General Administration											
17	Administrative	125,484		40,946	166,430		166,430		166,430			17
18	Directors Fees											18
19	Professional Services			969,119	969,119		969,119	(881,732)	87,387			19
20	Dues, Fees, Subscriptions & Promotions			59,836	59,836		59,836	(46,206)	13,630			20
21	Clerical & General Office Expenses	200,177	18,686	73,612	292,475	199	292,674	19,195	311,869			21
22	Employee Benefits & Payroll Taxes			630,689	630,689	16,416	647,105	(16,023)	631,082			22
23	Inservice Training & Education											23
24	Travel and Seminar			4,530	4,530		4,530	16,652	21,182			24
25	Other Admin. Staff Transportation											25
26	Insurance-Prop.Liab.Malpractice			261,906	261,906		261,906	17,409	279,315			26
27	Other (specify):* Rel Party Salary			106,748	106,748		106,748	368,397	475,145			27
28	**TOTAL General Administration**	325,661	18,686	2,147,386	2,491,733	16,615	2,508,348	(522,308)	1,986,040			28
29	**TOTAL Operating Expense (sum of lines 8, 16 & 28)**	3,657,853	785,513	2,636,520	7,079,886		7,079,886	(676,923)	6,402,963			29

***Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.**

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC #0017319 Report Period Beginning: 1/1/2004 Ending: 12/31/04

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR OHF USE ONLY		
		Salary/Wage	Supplies	Other	Total							
	D. Ownership	1	2	3	4	5	6	7	8	9	10	
30	Depreciation			125,661	125,661		125,661	472,172	597,833			30
31	Amortization of Pre-Op. & Org.							3,858	3,858			31
32	Interest			377,516	377,516		377,516	424,697	802,213			32
33	Real Estate Taxes							240,870	240,870			33
34	Rent-Facility & Grounds			1,213,276	1,213,276		1,213,276	(1,213,276)				34
35	Rent-Equipment & Vehicles			14,413	14,413		14,413	27,950	42,363			35
36	Other (specify):* mort insurance							59,511	59,511			36
37	**TOTAL Ownership**			1,730,866	1,730,866		1,730,866	15,782	1,746,648			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers	698,741	793,233	1,104,841	2,596,815		2,596,815	(140,611)	2,456,204			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops		10		10		10	(10)				41
42	Provider Participation Fee			164,700	164,700		164,700		164,700			42
43	Other (specify):*											43
44	**TOTAL Special Cost Centers**	698,741	793,243	1,269,541	2,761,525		2,761,525	(140,621)	2,620,904			44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	4,356,594	1,578,756	5,636,927	11,572,277		11,572,277	(801,762)	10,770,515			45

***Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.**

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 1/1/2004 Ending: 12/31/04

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7. In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Refer-ence	3 OHF USE ONLY	
1	Day Care	$		$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals				4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	87,159	30		9
10	Interest and Other Investment Income	(452)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(543)	2		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees	(8,548)	21		17
18	Fines and Penalties	(1,075)	32		18
19	Entertainment	(5,386)	20		19
20	Contributions	(2,468)	20		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(16,007)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(106,748)	27		24
25	Fund Raising, Advertising and Promotional	(34,979)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	Nurse Aide Training for Non-Employees				27
28	Yellow Page Advertising	(268)	20		28
29	Other-Attach Schedule				29
30	**SUBTOTAL (A): (Sum of lines 1-29)**	$ (89,315)		$	30

OHF USE ONLY								
48		49		50		51		52	

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule*	$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	(206,030)		34
35	Other- Attach Schedule	(506,417)		35
36	**SUBTOTAL (B): (sum of lines 31-35)**	$ (712,447)		36
37	**TOTAL ADJUSTMENTS (sum of SUBTOTALS (A) and (B))**	$ (801,762)		37

***These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.**

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1 Yes	2 No	3 Amount	4 Reference	
38	Medically Necessary Transport.		X	$		38
39						39
40	Gift and Coffee Shops		X			40
41	Barber and Beauty Shops		X			41
42	Laboratory and Radiology		X			42
43	Prescription Drugs		X			43
44	Exceptional Care Program		X			44
45	Other-Attach Schedule		X			45
46	Other-Attach Schedule		X			46
47	**TOTAL (C): (sum of lines 38-46)**			$		47

STATE OF ILLINOIS

ALDEN LAKELAND REHAB & HCC

ID# 0017319

Report Period Beginning: 01/01/04

Ending: 12/31/04

	NON-ALLOWABLE EXPENSES	Amount	Sch. V Line Reference	
1	Late Fees on Utilities	$ (4,899)	5	1
2	Gift Shop Expense	(10)	41	2
3	Intercompany Interest	(367,824)	32	3
4	Other receipts g & a (gl 4977)	(705)	21	4
5	Marketing Manger	(110,684)	21	5
6	Employee Benefits for Marketing Mgr	(16,023)	22	6
7	Back out 31.78% of PAC portion of IHCA	(3,775)	20	7
8	YE Depreciation adjustment	(936)	30	8
9	bank charges on related party - Law.Av. Pg 6	(1,561)	21	9
10				10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	**Total**	(506,417)		49

STATE OF ILLINOIS — Summary A

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Operating Expenses	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	A. General Services													
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(543)	0	0	(107,156)	0	0	0	0	0	0	0	(107,699)	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	(4,899)	0	3,821	0	0	0	0	0	0	0	0	(1,078)	5
6	Maintenance	0	0	11,415	0	0	0	(14)	(1,866)	0	0	0	9,535	6
7	Other (specify):*	0	0	51,569	0	0	0	0	0	0	0	0	51,569	7
8	**TOTAL General Services**	(5,442)	0	66,805	(107,156)	0	0	(14)	(1,866)	0	0	0	(47,673)	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	0	(136,122)	(9,383)	0	0	0	0	0	0	(145,505)	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	Nurse Aide Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	38,563	0	0	0	0	0	0	0	0	38,563	15
16	**TOTAL Health Care and Programs**	0	0	38,563	(136,122)	(9,383)	0	0	0	0	0	0	(106,942)	16
	C. General Administration													
17	Administrative	0	0	0	0	0	0	0	0	0	0	0	0	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(16,007)	3,950	(869,675)	0	0	0	0	0	0	0	0	(881,732)	19
20	Fees, Subscriptions & Promotions	(46,876)	0	670	0	0	0	0	0	0	0	0	(46,206)	20
21	Clerical & General Office Expenses	(121,498)	1,561	43,269	89,136	6,727	0	0	0	0	0	0	19,195	21
22	Employee Benefits & Payroll Taxes	(16,023)	0	0	0	0	0	0	0	0	0	0	(16,023)	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	16,652	0	0	0	0	0	0	0	0	16,652	24
25	Other Admin. Staff Transportation	0	0	0	0	0	0	0	0	0	0	0	0	25
26	Insurance-Prop.Liab.Malpractice	0	17,041	368	0	0	0	0	0	0	0	0	17,409	26
27	Other (specify):*	(106,748)	0	443,810	20,909	10,426	0	0	0	0	0	0	368,397	27
28	**TOTAL General Administration**	(307,152)	22,552	(364,906)	110,045	17,153	0	0	0	0	0	0	(522,308)	28
29	**TOTAL Operating Expense (sum of lines 8,16 & 28)**	(312,594)	22,552	(259,538)	(133,233)	7,770	0	(14)	(1,866)	0	0	0	(676,923)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 **Report Period Beginning:** 01/01/04 **Ending:** 12/31/04

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Capital Expense	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY TOTALS	
	D. Ownership	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	(to Sch V, col.7)	
30	Depreciation	86,223	375,407	9,144	0	1,398	0	0	0	0	0	0	472,172	30
31	Amortization of Pre-Op. & Org.	0	1,650	2,208	0	0	0	0	0	0	0	0	3,858	31
32	Interest	(369,351)	727,020	62,632	0	483	3,913	0	0	0	0	0	424,697	32
33	Real Estate Taxes	0	231,257	9,155	0	458	0	0	0	0	0	0	240,870	33
34	Rent-Facility & Grounds	0	(1,213,276)	0	0	0	0	0	0	0	0	0	(1,213,276)	34
35	Rent-Equipment & Vehicles	0	0	27,950	0	0	0	0	0	0	0	0	27,950	35
36	Other (specify):*	0	59,511	0	0	0	0	0	0	0	0	0	59,511	36
37	**TOTAL Ownership**	(283,128)	181,569	111,089	0	2,339	3,913	0	0	0	0	0	15,782	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	(24,453)	(34,463)	(81,695)	0	0	0	0	0	(140,611)	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	(10)	0	0	0	0	0	0	0	0	0	0	(10)	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	43
44	**TOTAL Special Cost Centers**	(10)	0	0	(24,453)	(34,463)	(81,695)	0	0	0	0	0	(140,621)	44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	(595,732)	204,121	(148,449)	(157,686)	(24,354)	(77,782)	(14)	(1,866)	0	0	0	(801,762)	45

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
The Alden Group, Limited	100%	See page 6K		See page 6K		

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [X] YES [ ] NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
1	V	34	Rental Income	$ 1,213,276	Lawrence Avenue Building Partnership		$	$ (1,213,276)	1
2	V	32	Interest Income - RR	299	Lawrence Avenue Building Partnership			(299)	2
3	V	19	Accounting fees		Lawrence Avenue Building Partnership		3,950	3,950	3
4	V	19	Misc. Admin. Expenses		Lawrence Avenue Building Partnership				4
5	V	21	Bank Charges		Lawrence Avenue Building Partnership		1,561	1,561	5
6	V	33	Real estate Tax Expense		Lawrence Avenue Building Partnership		231,257	231,257	6
7	V	26	Property and liaility ins.		Lawrence Avenue Building Partnership		17,041	17,041	7
8	V	36	Mortgage ins premium		Lawrence Avenue Building Partnership		59,511	59,511	8
9	V	32	Interest on mortgage note		Lawrence Avenue Building Partnership		727,319	727,319	9
10	V	30	Depreciation expense		Lawrence Avenue Building Partnership		375,407	375,407	10
11	V	31	Amortization expense		Lawrence Avenue Building Partnership		1,650	1,650	11
12	V								12
13	V								13
14	Total			$ 1,213,575			$ 1,417,696	$ * 204,121	14

* Total must agree with the amount recorded on line 34 of Schedule VI.

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [X] YES [ ] NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
15	V	19	Professional Fees	$ 883,200	Alden Management Services		$ 13,525	$ (869,675)	15
16	V	21	Gen'l & Admin		Alden Management Services		43,269	43,269	16
17	V	5	Utilities		Alden Management Services		3,821	3,821	17
18	V	6	Maintenance		Alden Management Services		11,415	11,415	18
19	V	24	Travel & Seminar		Alden Management Services		16,652	16,652	19
20	V	26	Insurance		Alden Management Services		368	368	20
21	V	20	Dues, fees, & subscriptions		Alden Management Services		670	670	21
22	V	30	Depreciation		Alden Management Services		9,144	9,144	22
23	V	31	Amortization		Alden Management Services		2,208	2,208	23
24	V	33	Real Estate Taxes		Alden Management Services		9,155	9,155	24
25	V	34	Rent		Alden Management Services				25
26	V	35	Rent-Vehicles, etc		Alden Management Services		27,950	27,950	26
27	V	32	Interest		Alden Management Services		62,632	62,632	27
28	V	7	General Services Salaries		Alden Management Services		51,569	51,569	28
29	V	15	Health Care Salaries		Alden Management Services		38,563	38,563	29
30	V	27	General Admin. Salaries		Alden Management Services		443,810	443,810	30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			$ 883,200			$ 734,751	$ * (148,449)	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [X] YES [ ] NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
15	V	2	Tube Feeding	$ 196,910	Pyramid Health Care	100.00%	$ 89,754	$ (107,156)	15
16	V	10	Nursing supplies	169,295	Pyramid Health Care		33,173	(136,122)	16
17	V	39	Per diems / other supplies	55,576	Pyramid Health Care		31,123	(24,453)	17
18	V	21	General & Admin.		Pyramid Health Care		89,136	89,136	18
19	V	27	Gen'l & Admin Salaries		Pyramid Health Care		20,909	20,909	19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			$ 421,781			$ 264,095	$ * (157,686)	39

*** Total must agree with the amount recorded on line 34 of Schedule VI.**

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [X] YES [ ] NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
15	V	39	Drugs	$ 143,996	Forum Extended Care II		$ 124,202	$ (19,794)	15
16	V	10	House Stock	6,168	Forum Extended Care II		5,320	(848)	16
17	V	39	I.V.	106,714	Forum Extended Care II		92,045	(14,669)	17
18	V	21	General & Admin.		Forum Extended Care II		6,727	6,727	18
19	V	32	Interest		Forum Extended Care II		483	483	19
20	V	33	Real estate tax		Forum Extended Care II		458	458	20
21	V	30	Depreciation		Forum Extended Care II		1,398	1,398	21
22	V	27	Salaries & Wages		Forum Extended Care II		10,426	10,426	22
23	V	10	Pharmacy Consulting	8,535	Forum Extended Care II			(8,535)	23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			$ 265,413			$ 241,059	$ * (24,354)	39

*** Total must agree with the amount recorded on line 34 of Schedule VI.**

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [X] YES [ ] NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
15	V	39	Therapy	$ 1,061,132	Community Physical Therapy	100.00%	$ 979,437	$ (81,695)	15
16	V	32	Interest		Community Physical Therapy		3,913	3,913	16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			$ 1,061,132			$ 983,350	$ * (77,782)	39

*** Total must agree with the amount recorded on line 34 of Schedule VI.**

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [X] YES [ ] NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
15	V	6	Repairs & Maintennance	$ 9,808	Alden Bennett Construction		$ 9,794	$ (14)	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			$ 9,808			$ 9,794	$ * (14)	39

*** Total must agree with the amount recorded on line 34 of Schedule VI.**

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [X] YES [ ] NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
15	V	6	Carpet Cleaning	$ 12,870	ALDEN REALTY - CARPET CARE		$ 11,517	$ (1,353)	15
16	V	6	Floor Cleaning	5,268	ALDEN REALTY - FLOOR CARE		4,755	(513)	16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			$ 18,138			$ 16,272	$ * (1,866)	39

*** Total must agree with the amount recorded on line 34 of Schedule VI.**

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1	2	3	4	5	6		7		8	
	Name	Title	Function	Ownership Interest	Compensation Received From Other Nursing Homes*	Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		Compensation Included in Costs for this Reporting Period**		Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	President	President	Chief Executive	100.00	213,841	2.444	6.11	salary	$ 13,923	27-7	1
2	Nurse coordinator	Nurse coordinator	nursing admin.	0.00	69,053	2.444	6.11	salary	4,496	15-7	2
3	Maint. Supervisor	Maint. Supervisor	construct/mainten	0.00	46,944	2.444	6.11	salary	3,056	7-7	3
4											4
5											5
6											6
7	a. Floyd Schlossberg is the President and sole stockholder of The Alden Group, Limited										7
8	b. Lauren Magnusson is the daughter of Floyd Schlossberg. Lauren is a nurse coordinator.										8
9	c. Terry Magnusson is the son-in-law of Floyd Schlossberg. Terry is in maintenance and construction.										9
10											10
11											11
12											12
13								TOTAL	$ 21,475		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES [X] NO [ ]

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization: Alden Management Services
Street Address: 4200 W. Peterson Ave.
City / State / Zip Code: Chicago, IL 60646
Phone Number: (773) 286-3883
Fax Number: (773) 286-3743

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1		See page 8A…				$	$		$	1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$	$		$	25

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

	1	2		3	4	5	6	7	8	9	10	
	Name of Lender	Related** YES	Related** NO	Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note Original	Amount of Note Balance	Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
	A. Directly Facility Related Long-Term											
1	Cambridge		X	mortgage	$67,071.69	8/27/02	$ 11,977,000	$ 11,959,452	8/26/42	6.1400	$ 727,319	1
2												2
3												3
4												4
5												5
	Working Capital											
6	related party - AMS & other	X		working capital							71,249	6
7	related party - CPT	X		working capital							3,913	7
8	related party - FECII	X		working capital							483	8
9	TOTAL Facility Related				$67,071.69		$ 11,977,000	$ 11,959,452			$ 802,964	9
	B. Non-Facility Related*											
10	Interest Income on RR										(299)	10
11	Interest Income (4646,4975)										(452)	11
12												12
13												13
14	TOTAL Non-Facility Related						$	$			$ (751)	14
15	TOTALS (line 9+line14)						$ 11,977,000	$ 11,959,452			$ 802,213	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. **$ 59,511** **Line # 36**

*** Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7. (See instructions.)**

**** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2. (See instructions.)**

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)

B. Real Estate Taxes

Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.

1. Real Estate Tax accrual used on 2003 report.	$	409,629	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)	$	315,686	2
3. Under or (over) accrual (line 2 minus line 1).	$	(93,943)	3
4. Real Estate Tax accrual used for 2004 report. (Detail and explain your calculation of this accrual on the lines below.)	$	325,200	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. **(Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)**	$		5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. **TOTAL REFUND $ For Tax Year. (Attach a copy of the real estate tax appeal board's decision.)**	$		6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.	$	231,257	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:			
	1999	372,295	8
	2000	337,570	9
	2001	346,350	10
	2002	350,233	11
	2003	315,686	12

Line 5: we hired firm to appeal the tax assessment on the facility.

accrual based on 3% increase over prior yr bill.

FOR OHF USE ONLY

13	FROM R. E. TAX STATEMENT FOR 2003	$	13
14	PLUS APPEAL COST FROM LINE 5	$	14
15	LESS REFUND FROM LINE 6	$	15
16	AMOUNT TO USE FOR RATE CALCULATION	$	16

NOTES:

1. **Please indicate a negative number by use of brackets( ). Deduct any overaccrual of taxes from prior year.**
2. **If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.**
   This denial must be no more than four years old at the time the cost report is filed.

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2003 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2003 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2003.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2003 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2004 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Office of Health Finance at (217) 782-1630.

2003 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME ALDEN LAKELAND REHAB & HCC COUNTY COOK

FACILITY IDPH LICENSE NUMBER 0017319

CONTACT PERSON REGARDING THIS REPORT STEVEN M. KROLL

TELEPHONE (773) 286-3883 FAX #: (773) 286-2689

A. **Summary of Real Estate Tax Cost**

Enter the tax index number and real estate tax assessed for 2003 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2003.

	(A) Tax Index Number	(B) Property Description	(C) Total Tax	(D) Tax Applicable to Nursing Home
1.	14-08-419-040-0000	Building	$ 315,686.00	$ 315,686.00
2.		Related Party-Alden Management	$ 149,765.00	$ 9,155.00
3.		Related Party - Forum	$ 13,827.00	$ 458.00
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$ 479,278.00	$ 325,299.00

B. **Real Estate Tax Cost Allocations**

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? YES X NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. **Tax Bills**

Attach a copy of the original 2003 tax bills which were listed in Section A to this statement. Be sure to use the 2003 tax bill which is normally paid during 2004.

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 89,500 B. General Construction Type: Exterior brick Frame steel Number of Stories

C. Does the Operating Entity? [ ] (a) Own the Facility [X] (b) Rent from a Related Organization. [ ] (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? [X] (a) Own the Equipment [ ] (b) Rent equipment from a Related Organization. [X] (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, nurse aide training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable).

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? [ ] YES [X] NO
If so, please complete the following:

1. Total Amount Incurred: 2. Number of Years Over Which it is Being Amortized:

3. Current Period Amortization: 4. Dates Incurred:

Nature of Costs:
(Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	300 Bed Facility		1995	$ 1,040,001	1
2					2
3	TOTALS			$ 1,040,001	3

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Beds*	FOR OHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4	related party-forum			1978	$ 16,213	$	22	$	$	$ 16,213	4
5	300			1978	8,882,363	222,111	40	222,059	(52)	2,337,875	5
6			1995		577		40	14	14	134	6
7			1995		245		40	6	6	57	7
8				1996	13,250	331	40	331		2,953	8
	Improvement Type**										
9											9
10											10
11											11
12											12
13											13
14											14
15											15
16											16
17											17
18											18
19											19
20											20
21											21
22											22
23											23
24											24
25											25
26											26
27											27
28											28
29											29
30											30
31											31
32											32
33											33
34											34
35											35
36											36

*Total beds on this schedule must agree with page 2.

**Improvement type must be detailed in order for the cost report to be considered complete.

See Page 12A, Line 70 for total

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
37	GENERAL REMODELING	1994	$ 1,640,753	$ 42,645	15	$ 109,384	$ 66,739	$ 1,098,397	37
38	NEW AIR CONDITIONER	1994	185,718	4,827	15	12,381	7,554	118,283	38
39	OXYGEN AND SUCTION SYSTEM	1994	89,080	2,315	15	5,939	3,624	59,053	39
40	3RD FLOOR NURSES STATION	1994	14,234	370	15	949	579	9,160	40
41	REBUILD SHOWERS AND STALL	1994	47,131	1,225	15	3,142	1,917	30,770	41
42	PATIENT ROOM LIGHTING	1994	34,763	903	15	2,318	1,415	22,372	42
43	CARPETING	1994	20,688	537	10	1,379	842	17,306	43
44	NEW DOOR LOCK AND HARDWARE	1994	25,312	658	10	1,687	1,029	21,382	44
45	VARIOUS OTHER ITEMS	1994	85,896	2,234	10	5,726	3,492	55,265	45
46	DECORATING	1986	5,000		3			5,000	46
47	DOCORATING,PUMPS, ROOF REPAIR, COMPRESSOR REPAIR	1987	15,543		3-5			15,543	47
48	ELECTRICAL REPAIRS, CARPENTRY,PUMP REPAIR	1988	15,804		5			15,804	48
49	PUMP REPAIR	1989	2,510		5			2,510	49
50	REPAIR: PUMPS AND COMPRESSOR	1990	32,782		5-10			32,782	50
51	REPAIR: PUMPS, FANS, HEATER,ROOF	1991	16,753		5			16,753	51
52	REPAIR: BOILER,FANS, THERMOSTAT	1992	32,033	59	5-20	58	(1)	32,033	52
53	COLOR RENDERING,REPAIR: COOLING TOWER, ELECT TIMER,	1993	8,916	490	5-15	490		7,235	53
54	DRAPERIES AND CUBICLES; COMPRESSOR REPAIR	1994	45,438	1,256	5-20	1,256		42,000	54
55	REPAIR: ELEVATOR, LAUNDRY ROOM, PUMPS,A.C, INSULLATIC	1995	415,705	22,315	5-20	22,315		239,342	55
56	NEW ELECTRIC GENERATOR, NEW COOLING TOWER	1996	191,725	9,510	5-20	9,510		85,526	56
57	INSTALL NEW CIRCUITS	1997	2,176		5			2,176	57
58	CLEAN FAN COILS	1997	4,622		5			4,622	58
59	REPAIR LIGHTING CIRCUIT & BALLAST	1997	2,327		5			2,327	59
60	REBUILD COMPRESSOR	1997	4,268		5			4,268	60
61	REPAIR CALL LIGHTS	1997	2,350		5			2,350	61
62	ISTALL NEW SMOKE DETECTOR	1997	2,661		5			2,661	62
63	SPRAYED FIREPROOFING	1997	3,965		5			3,965	63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		$ 11,860,801	$ 311,786		$ 398,944	$ 87,158	$ 4,306,117	70

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		$ 11,860,801	$ 311,786		$ 398,944	$ 87,158	$ 4,306,117	1
2	Climate Service, Inc (replace fans)	1998	4,725		5			4,725	2
3	**'Wigdahl(replaced outlets)	1998	2,300	230	10	230		1,591	3
4	Wigdahl(replaced outlets)	1998	334	33	10	33		231	4
5	Long Elevator(modify restrictors)	1998	2,200	110	20	110		752	5
6	Incorporation(kickplates & correr guards)	1998	2,309	77	5	77		2,309	6
7	Incorporation(kickplates & larone)	1998	4,547	227	5	227		4,547	7
8	Shine Rite Maintenance (strip and refinish 30 rooms)	1998	6,480	324	5	324		6,480	8
9	Star Contractors (install locks)	1998	5,581	558	10	558		3,814	9
10	Supreme Sheet Metal (Fire dampers)	1998	10,000	667	15	667		4,333	10
11	CSI (replace fan coil units)	1998	6,340	423	15	423		2,677	11
12	Atash Fire & Safety (install annunciator panel)	1998	5,890	393	15	393		2,585	12
13	CSI (rebuild compressor)	1998	7,056	470	15	470		2,979	13
14	Supreme Sheet Metal (install fire dampers)	1998	11,680	1,168	10	1,168		7,300	14
15	Alden Bennett Construction (plan of correction)	1998	2,222	222	10	222		1,370	15
16	Supreme Sheet Metal (install fire dampers)	1998	7,750	775	10	775		4,715	16
17	Supreme Sheet Metal (install fire dampers)								17
18	Patton (repair generator)	1999	1,702	113	15	113		681	18
19	Alden Bennett Construction(general)	1999	11,471	1,147	10	1,147		6,213	19
20	Welding Supply(oxygen piping installed)	1999	13,176	659	20	659		3,459	20
21	ISS/Chicago Sound &Comm.(call system)	1999	28,500	1,900	15	1,900		9,817	21
22	Alden Bennett Construction(general)	1999	23,560	1,571	15	1,571		7,984	22
23	Alden Bennet Construction- oxygen tank	1999	9,475	474	20	474		2,369	23
24	Alden Bennett Construction(oxyg tank)	1999	35,016	1,751	20	1,751		8,900	24
25	Supreme sheet metal-install fire dampers-delete duplicate	2000	(9,475)	(948)	10	(948)			25
26	Climate Service, Inc (repair boiler)	2000	4,892	245	20	245			26
27	A&B custom cable-install cable tv	2000	13,824	1,382	10	1,382		6,566	27
28	Fox Valley-install new fire safety pump	2000	4,423	221	20	221		1,050	28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		$ 12,076,779	$ 325,978		$ 413,136	$ 87,158	$ 4,403,564	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		$ 12,076,779	$ 325,978		$ 413,136	$ 87,158	$ 4,403,564	1
2	Fox Valley-repair hvac pump	2000	1,969	98	20	98		468	2
3	System electric-circuit for sump pump	2000	2,361	118	20	118		551	3
4	System electric-emergency lighting	2000	5,190	346	15	346		1,586	4
5	System Electric-install circuits	2000	1,570	78	20	78		353	5
6	Fox Valley-install tank system	2000	1,755	70	25	70		316	6
7	GT Mechanical-repair boiler	2000	2,698	135	20	135		607	7
8	ABC-fireproofing	2000	2,503	125	20	125		542	8
9	ABC-seal & stripe parking lot	2000	977	98	10	98		407	9
10	Richard G. Radke-color rendering	1993	6,620		5			6,620	10
11	Remodeling-Lawrence Ave Partnership (building)	1994	140,050	3,501	40	3,501		35,012	11
12	ABC-oxygen tank wiring	2000	26,715		3			26,715	12
13	ABC-wallpapering	2000	3,543		3			3,543	13
14	EWS - Oxygen tank repairs	2001	2,157	270	8	270		989	14
15	Simplex Time Recorder (fire alarm repairs)	2001	1,810	121	15	121		432	15
16	Simplex Time Recorder (fire alarm repairs)	2001	1,529	102	15	102		365	16
17	GT Mechanical-replace trane rooftop unit	2001	17,800	1,187	15	1,187		4,153	17
18	Long Elevator-repair elevator	2001	757	76	10	76		259	18
19	Long Elevator-replace boards	2001	4,659	466	10	466		1,592	19
20	Alden Bennett - various	2001	1,720	172	10	172		616	20
21	Alden Bennett - various	2001	8,688	579	15	579		1,979	21
22	Alden Bennett - various	2001	11,481	765	15	765		2,488	22
23	Medline Industries	2002	1,205	120	10	120		271	23
24	GT Mechanical-replace relay board/compressor	2002	1,696	113	15	113		283	24
25	CSI Coker- booster heater	2002	5,238	349	15	349		1,018	25
26	Alden Bennett -building improvement	2002	3,358	224	15	224		616	26
27	Alden Bennett -building improvement	2002	2,478	248	10	248		516	27
28	Alden Bennett -building improvement	2002	3,161	316	10	316		711	28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		$ 12,340,466	$ 335,655		$ 422,813	$ 87,158	$ 4,496,572	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12C, Carried Forward		$ 12,340,466	$ 335,655		$ 422,813	$ 87,158	$ 4,496,572	1
2	GT Mechanical-rebuild compressor	2003	6,500	433	15	433	0	831	2
3	Simplex Grinnell -replace smoke detectors	2003	4,225	423	10	423	(0)	810	3
4	Simplex Grinnell-repair fire pump	2003	2,094	209	10	209	0	349	4
5	Simplex Grinnell fire system connection	2003	1,710	171	10	171		285	5
6	CSI Coker-Hobart dishwasher	2003	1,522	304	5	304		431	6
7	Simplex Grinnell-2 duct smoke detectors	2003	1,620	162	10	162	0	216	7
8	Simples Grinnell-2 duct smoke detectors & electric	2003	1,961	196	10	196	(0)	245	8
9	GT Mechanical-repair boiler	2003	1,340	268	5	268	0	313	9
10	GT Mechanical-replace boiler relief valve	2003	931	186	5	186	0	217	10
11	Alden Bennett Cons.-roof repair & rails installed	2003	7,517	752	10	752	(0)	940	11
12	GT Mchanical-back up pump bearing	2004	1,713	143	10	143		143	12
13	GT Mchanical-main house pump	2004	1,555	104	10	104		104	13
14	GT Mechanical-cooling towwe repairs	2004	1,259	84	10	84		84	14
15	CAPPS Plumbing-replaced kitchen faucets, drains	2004							15
16	ABC-repair kitchen,freezer doors and misc repairs	2004	8,038	536	10	536		536	16
17	Oak First Signal Circuit-elevator repair	2004	2,075	104	10	104		104	17
18	ABC misc repairs	2004	6,005	350	10	350		350	18
19	GT Mechanical-laundry motor replacement	2004	2,966	148	10	148		148	19
20	GT Mechanical-cooling gtower fan motor	2004	4,181	209	10	209		209	20
21	ISS/chicao Sound/ repair address sound	2004	2,092	87	10	87		87	21
22	ABC misc repairs	2004	5,832	243	10	243		243	22
23	GT Mechanical-A/C for East side of bldg	2004	1,007	42	10	42		42	23
24	System Electric-walk in cooler lights	2004	904	20	15	20		20	24
25	Oak First-installation of smoke dectors in front of elevators	2004	6,500	163	10	163		163	25
26	Top Notch-repaired faucet/drains	2004	1,627	14	10	14		14	26
27	ABC-Medical Gas Revisions	2004	27,009	2,026	10	2,026	0	2,026	27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		$ 12,442,649	$ 343,031		$ 430,190	$ 87,159	$ 4,505,480	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12D, Carried Forward		$ 12,442,649	$ 343,031		$ 430,190	$ 87,159	$ 4,505,480	1
2	Related Party-Forum:								2
3	Leasehold Improvement-Remodeling	1980	12,303		15			12,303	3
4	Leasehold Improvement-Remodeling	1980	19,273		20			19,273	4
5	Leasehold Improvement-Tenant Improvement	1987	996		13			996	5
6	Leasehold Improvement-AMS Remodel	1988	14,339		10			14,339	6
7	Leasehold Improvement-Roof	1994	3,572	223	16	223		2,234	7
8	Leasehold Improvement-Build.Improv.	1996	1,259	79	16	79		704	8
9	Leasehold Improvement-Asphalting	2000	98		3			98	9
10	Leasehold Improvement-DAI	2001	172	17	10	17		54	10
11	Leasehold Improvement-Bathrooms	2002	733	82	7	82		181	11
12	Leasehold Improvement-Suite Renovation	2003	1,638	164	10	164		328	12
13	Leasehold Improvement-Plumbing, Construct, Concrete, Doors, etc	2004	1,820	148	7	148		148	13
14	Leasehold Improvement-Add-on Improvement, fixture base	1980	79		23			79	14
15	Leasehold Improvement-Add-on Improvement, lighting base	2001	137	27	5	27		103	15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	Related Party-AMS:								25
26	Leasehold Improvement-Remodeling	1993	5,938		7			5,938	26
27	Leasehold Improvement-Remodeling	2002	4,861	608	7	608		1,215	27
28	Leasehold Improvement-Remodeling	2003	5,085	775	7	775		1,394	28
29									29
30									30
31									31
32	Forum Extended Care, LLC-building/building improv	1999	13,393	266	30	266		2,041	32
33									33
34	TOTAL (lines 1 thru 33)		$ 12,528,345	$ 345,420		$ 432,578	$ 87,159	$ 4,566,909	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	$ 2,093,527	$ 161,689	$ 161,689	$	varies	$ 1,337,762	71
72	Current Year Purchases	22,820	1,684	1,684	(0)	varies	1,684	72
73	Fully Depreciated Assets	280,896	1,752	1,752		varies	280,896	73
74								74
75	TOTALS	$ 2,397,243	$ 165,125	$ 165,125	$ (0)		$ 1,620,342	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76	car engine, bus , van	various	98-02	$ 8,164	$ 130	$ 130	$	3	$ 7,981	76
77										77
78										78
79										79
80	TOTALS			$ 8,164	$ 130	$ 130	$		$ 7,981	80

E. Summary of Care-Related Assets

		1 Reference	2 Amount	
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	$ 15,973,753	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	$ 510,675	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	$ 597,833	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	$ 87,158	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	$ 6,195,232	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		$	$	$	86
87					87
88					88
89					89
90					90
91	TOTALS	$	$	$	91

G. Construction-in-Progress

	Description	Cost	
92	n/a	$	92
93			93
94			94
95		$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease:

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?
If NO, see instructions. [ ] YES [X] NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				$			3
4	Additions							4
5								5
6								6
7	TOTAL				$ **			7

8. List separately any amortization of lease expense included on page 4, line 34.
This amount was calculated by dividing the total amount to be amortized
by the length of the lease .

9. Option to Buy: [ ] YES [X] NO Terms: *

10. Effective dates of current rental agreement:
Beginning 3/31/04
Ending 3/31/14

11. Rent to be paid in future years under the current rental agreement:

	Fiscal Year Ending	Annual Rent
12.	12/31/2005	$ 1,197,708
13.	12/31/2006	$ 1,197,708
14.	12/31/2007	$ 1,197,708

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental? [ ] YES [X] NO

16. Rental Amount for movable equipment: $ 8,793 Description: Copy machine rental
(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17	Transport		$ 468.00	$ 5,620	17
18					18
19	Related party-AMS		2329.17	27,950	19
20					20
21	TOTAL		$ 468.00	$ 33,570	21

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

XIII. EXPENSES RELATING TO NURSE AIDE TRAINING PROGRAMS (See instructions.)

A. TYPE OF TRAINING PROGRAM (If aides are trained in another facility program, attach a schedule listing the facility name, address and cost per aide trained in that facility.)

1. HAVE YOU TRAINED AIDES DURING THIS REPORT PERIOD? [ ] YES [X] NO

If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.

Skilled nurses on site

2. CLASSROOM PORTION:
   - IN-HOUSE PROGRAM [ ]
   - IN OTHER FACILITY [ ]
   - COMMUNITY COLLEGE [ ]
   - HOURS PER AIDE ____

3. CLINICAL PORTION:
   - IN-HOUSE PROGRAM [ ]
   - IN OTHER FACILITY [ ]
   - HOURS PER AIDE ____

B. EXPENSES

ALLOCATION OF COSTS (d)

		1	2	3	4
		Facility			
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	$	$	$	$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	Nurse Aide Competency Tests				
9	TOTALS	$	$	$	$
10	SUM OF line 9, col. 1 and 2 (e)	$			

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training aides from other facilities.

$

D. NUMBER OF AIDES TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

(a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
(b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
(c) For in-house training programs only. Do not include fringe benefits.
(d) Allocate based on if the aide is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own aides.
(e) The total amount of Drop-out and Completed Costs for your own aides must agree with Sch. V, line 13, col. 8.
(f) Attach a schedule of the facility names and addresses of those facilities for which you trained aides.

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

		1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff Units of Service	Staff Cost	Outside Practitioner (other than consultant) Units	Outside Practitioner (other than consultant) Cost	Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
1	Licensed Occupational Therapist	39-3	hrs	$		$ 200,421	$ 0		$ 200,421	1
2	Licensed Speech and Language Development Therapist	39-3	hrs			71,589	0		71,589	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39-3	hrs			213,302	0		213,302	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	See page 16A	# of prescrpts				109,533		109,533	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program	39-1, 39-3		698,741			206,236		904,977	12
13	Other (specify): See pg 16A					(81,695)	1,038,078		956,383	13
14	TOTAL			$ 698,741		$ 403,617	$ 1,353,846		$ 2,456,204	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as nurse aides, who help with the above activities should not be listed on this schedule.

Page 16
Col 5: PT,OT, & ST
Col 6: Other
Amount

XIV. SPECIAL SERVICES (Direct Cost)

Service		
1. OT	39-3	200,420.92
2. ST	39-3	71,588.80
4. PT	39-3	213,301.97
5.		
9. Phamacy	See pg 16A	143,995.74
Plus: Related Party- Forum Drugs		(19,794.00)
Plus: Related Party- Forum I.V.		(14,669.00)
Total to line 9 Pharmacy		109,532.74
12. Exceptional Care-Column 3	See pg 16A	698,741.35
12. Exceptional Care-Column 6	See pg 16A	206,235.74
13. Other:Lab, x-ray therapy, Matress, Pyramid billings		880,524.52
Related Party- Pyramid		(24,453.00)
Related Party- CPT		(81,695.00)
13. Oxygen cost - IDPA		182,006.00
Total to line 13		956,382.52
14. Total		2,456,204.04

STATE OF ILLINOIS

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC **#** 0017319 **Report Period Beginning:** 01/01/04 **Ending:** 12/31/04

XV. BALANCE SHEET - Unrestricted Operating Fund. **As of** 12/31/04 **(last day of reporting year)**

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	$	$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	2,274,049	2,274,049	3
4	Supply Inventory (priced at)	264	264	4
5	Short-Term Investments			5
6	Prepaid Insurance		51,284	6
7	Other Prepaid Expenses	1,763	1,763	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): Due from 3rd parties	122,287	122,287	9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 2,398,363	$ 2,449,647	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		1,040,001	13
14	Buildings, at Historical Cost		9,375,275	14
15	Leasehold Improvements, at Historical Cost	1,537,982	3,906,578	15
16	Equipment, at Historical Cost	910,400	1,830,770	16
17	Accumulated Depreciation (book methods)	(1,523,340)	(5,438,575)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs		65,981	19
20	Accumulated Amortization - Organization & Pre-Operating Costs		(3,849)	20
21	Restricted Funds		452,811	21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 925,042	$ 11,228,992	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 3,323,405	$ 13,678,639	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 3,171,723	$ 3,171,723	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	101,430	101,430	28
29	Short-Term Notes Payable	73,303	73,303	29
30	Accrued Salaries Payable	399,393	399,393	30
31	Accrued Taxes Payable (excluding real estate taxes)	24,588	24,588	31
32	Accrued Real Estate Taxes(Sch.IX-B)		325,200	32
33	Accrued Interest Payable		60,427	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	accr ins, exps, idpa, sales tax	67,827	68,181	36
37	Due to affiliates	10,406,642	9,208,649	37
38	**TOTAL Current Liabilities (sum of lines 26 thru 37)**	$ 14,244,906	$ 13,432,894	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	26,117	26,117	39
40	Mortgage Payable		11,809,832	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	**TOTAL Long-Term Liabilities (sum of lines 39 thru 44)**	$ 26,117	$ 11,835,949	45
46	**TOTAL LIABILITIES (sum of lines 38 and 45)**	$ 14,271,023	$ 25,268,843	46
47	**TOTAL EQUITY(page 18, line 24)**	$ (10,947,618)	$ (11,590,204)	47
48	**TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)**	$ 3,323,405	$ 13,678,639	48

***(See instructions.)**

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	**Balance at Beginning of Year, as Previously Reported**	$ (9,967,515)	1
2	Restatements (describe):		2
3	external audit adjustments made after 2003 cost report was	49,322	3
4	submitted. These have no effect on prior years report:		4
5	set up liab due to IDPA for audit: 4101/2085		5
6	**Balance at Beginning of Year, as Restated (sum of lines 1-5)**	$ (9,918,193)	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(1,029,425)	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	( )	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	**TOTAL Additions (deductions) (sum of lines 7-16)**	$ (1,029,425)	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	**TOTAL Transfers (sum of lines 18-22)**	$	23
24	**BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)**	$ (10,947,618)	24 *

*** This must agree with page 17, line 47.**

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

	Revenue	1 Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	$ 10,002,142	1
2	Discounts and Allowances for all Levels	(21,950)	2
3	**SUBTOTAL Inpatient Care (line 1 minus line 2)**	$ 9,980,193	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	92,009	6
7	Oxygen	349,156	7
8	**SUBTOTAL Ancillary Revenue (lines 4 thru 7)**	$ 441,165	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	Nurses Aide Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care	12	13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	1,697	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	(40,394)	19
20	Radiology and X-Ray		20
21	Other Medical Services	103,928	21
22	Laundry		22
23	**SUBTOTAL Other Operating Revenue (lines 9 thru 22)**	$ 65,242	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income***	452	25
26	**SUBTOTAL Non-Operating Revenue (lines 24 and 25)**	$ 452	26
	E. Other Revenue (specify):**		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	Other Revenue-see pg 19A	55,800	28
28a			28a
29	**SUBTOTAL Other Revenue (lines 27, 28 and 28a)**	$ 55,800	29
30	**TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)**	$ 10,542,852	30

	Expenses	2 Amount	
	A. Operating Expenses		
31	General Services	1,620,534	31
32	Health Care	2,967,619	32
33	General Administration	2,491,733	33
	B. Capital Expense		
34	Ownership	1,730,866	34
	C. Ancillary Expense		
35	Special Cost Centers	2,596,825	35
36	Provider Participation Fee	164,700	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	**TOTAL EXPENSES (sum of lines 31 thru 39)***	$ 11,572,277	40
41	**Income before Income Taxes (line 30 minus line 40)****	(1,029,425)	41
42	**Income Taxes**		42
43	**NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)**	$ (1,029,425)	43

* **This must agree with page 4, line 45, column 4.**

** **Does this agree with taxable income (loss) per Federal Income Tax Return? not yet done If not, please attach a reconciliation.**

*** **See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation.**

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.**

ALDEN-LAKELAND
MISC INCOME
12/31/04

Page 19A

Must be submitted if there is a balance on Line 28. You need only report the info that has a bala	Amount
Late Fee Charge (private only, not offset on Schdl V)	466.88
Guest Suite (private only, not offset on Schdl V)	0.00
Community Fee (private only, not offset on Schdl V)	0.00
Miscellaneous Income gl 4977 (describe) (is offset againts Schdl V.)	16,489.25
Day Training Income (not offset, actual costs reported)	0.00
Recovery of Bad Debts (private only, is not offset on Schld V)	18,243.58
	0.00
Write Off of Old Amounts Due (related to prior yr, not offset on Schdl V)	20,599.91
	0.00
Gain on Sale of Assets (related to prior yr, not offset on Schdl V)	0.00
Total of line 28	**55,799.62**

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)
(This schedule must cover the entire reporting period.)

		1 # of Hrs. Actually Worked	2** # of Hrs. Paid and Accrued	3 Reporting Period Total Salaries, Wages	4 Average Hourly Wage	
1	Director of Nursing	1,096	1,291	$ 50,460	$ 39.09	1
2	Assistant Director of Nursing	1,120	1,176	32,404	27.55	2
3	Registered Nurses	32,898	35,246	1,051,066	29.82	3
4	Licensed Practical Nurses	37,536	39,028	952,669	24.41	4
5	Nurse Aides & Orderlies	95,617	101,900	1,030,977	10.12	5
6	Nurse Aide Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	1,985	2,222	25,596	11.52	8
9	Activity Director	2,080	2,080	36,491	17.54	9
10	Activity Assistants	6,956	7,627	72,365	9.49	10
11	Social Service Workers	3,976	4,160	72,396	17.40	11
12	Dietician					12
13	Food Service Supervisor	1,992	2,080	32,339	15.55	13
14	Head Cook	5,615	5,831	58,807	10.09	14
15	Cook Helpers/Assistants	17,118	18,377	152,466	8.30	15
16	Dishwashers					16
17	Maintenance Workers	1,920	2,080	42,023	20.20	17
18	Housekeepers	24,190	26,224	240,929	9.19	18
19	Laundry	6,942	7,854	83,326	10.61	19
20	Administrator	1,120	1,280	68,972	53.88	20
21	Assistant Administrator	1,368	1,406	56,512	40.19	21
22	Other Administrative	3,648	3,824	146,398	38.28	22
23	Office Manager					23
24	Clerical	4,501	4,846	53,779	11.10	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator	2,488	2,528	73,294	28.99	29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	1,919	1,959	23,325	11.91	31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	256,085	273,019	$ 4,356,594 *	$ 15.96	34

* This total must agree with page 4, column 1, line 45. ** See instructions.

B. CONSULTANT SERVICES

		1 Number of Hrs. Paid & Accrued	2 Total Consultant Cost for Reporting Period	3 Schedule V Line & Column Reference	
35	Dietary Consultant	800/month	$ 9,600	1-3	35
36	Medical Director	monthly	55,313	10-3	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant	600/month	7,200	10-3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	59	3,200	11-3	44
45	Social Service Consultant	12	672	11-3	45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	71	$ 75,985		49

C. CONTRACT NURSES

		1 Number of Hrs. Paid & Accrued	2 Total Contract Wages	3 Schedule V Line & Column Reference	
50	Registered Nurses		$ n/a		50
51	Licensed Practical Nurses				51
52	Nurse Aides				52
53	TOTAL (lines 50 - 52)		$		53

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
M. Von Goeben	administrator		$ 68,972
R. Kwiatkowski	asst administrator		56,512
TOTAL (agree to Schedule V, line 17, col. 1)			
(List each licensed administrator separately.)			$ 125,484

B. Administrative - Other

Description	Amount
	$
TOTAL (agree to Schedule V, line 17, col. 3)	$
(Attach a copy of any management service agreement)	

C. Professional Services

Vendor/Payee	Type	Amount
Alden Management	management fee	$ 883,200
BDO Seidman	accounting fees	10,544
Ken Fisch/Greenburg	legal fees	27,913
Medi-com	consultant-prof	1,326
Dart Chart	Medicare billing/comp services	46,136
TOTAL (agree to Schedule V, line 19, column 3)		
(If total legal fees exceed $2500 attach copy of invoices.)		$ 969,119

D. Employee Benefits and Payroll Taxes

Description	Amount
Workers' Compensation Insurance	$ 85,635
Unemployment Compensation Insurance	62,890
FICA Taxes	326,345
Employee Health Insurance	42,200
Employee Meals	24,963
Illinois Municipal Retirement Fund (IMRF)*	362
Union,Health, Welfare	72,666
Pension	27,639
dental & life insur	360
miscell empl costs	1,836
vaccinations/drug tests	2,208
Marketing Employ.Benefit deduction	(16,023)
TOTAL (agree to Schedule V, line 22, col.8)	$ 631,082

E. Schedule of Non-Cash Compensation Paid to Owners or Employees

Description	Line #	Amount
n/a		$
TOTAL		$

F. Dues, Fees, Subscriptions and Promotions

Description	Amount
IDPH License Fee	$
Advertising: Employee Recruitment	638
Health Care Worker Background Check	516
(Indicate # of checks performed 73)	
Surety Bonds	1,305
Extended Care Network	808
Il Health Care Assc	9,693
Related party	670
Less: Public Relations Expense	( )
Non-allowable advertising	( )
Yellow page advertising	( )
TOTAL (agree to Sch. V, line 20, col. 8)	$ 13,630

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	$
In-State Travel	
auto & travel	412
gasoline	2,432
related party-ams	16,652
Seminar Expense	
IHCA	1,686
Entertainment Expense	( )
TOTAL (agree to Sch. V, line 24, col. 8)	$ 21,182

* Attach copy of IMRF notifications

**See instructions.

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
(See instructions.)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009
1	hvac/pipes/pumps/repairs	1/88	$ 3,500	5	$	$	$	$	$	$	$	$	$
2	hvac/pipes/pumps/repairs	2/88	2,444	5									
3	hvac/pipes/pumps/repairs	3/88	2,385	5									
4	hvac/pipes/pumps/repairs	7/88	1,766	5									
5	hvac/pipes/pumps/repairs	10/88	3,200	5									
6	hvac/pipes/pumps/repairs	12/88	2,510	5									
7	boiler/hvac repair	6/89	5,114	5									
8	fan/pump/boiler repairs	10/90	4,240	5									
9	fan/pump/boiler repairs	11/90	3,482	5									
10	fan/pump/boiler repairs	12/90	2,233	5									
11	see page 22a	1991-1995	220,093	5-20	1,540	1,540	1,540	1,540	1,540	1,540	1,540	1,540	1,540
12	see page 22b	1996	41,372	3-20	1,566	696	696	696	696	555	505	505	505
13	see page 22c	1997	16,366	3	0								
14	see page 22c	1998	103,843	3	9,693	0							
15	see page 22d	1999	18,157	3	6,052	3,021	0						
16	painting>$1,500 ytd 1999	7/99	12,619	3	4,206	2,103	0						
17	see page 22d	2000	15,388	3	4,997	5,129	2,964	133	0				
18													
19													
20	TOTALS		$ 458,712		$ 28,054	$ 12,489	$ 5,200	$ 2,369	$ 2,236	$ 2,095	$ 2,045	$ 2,045	$ 2,045

Facility Name & ID Number ALDEN LAKELAND REHAB & HCC # 0017319 Report Period Beginning: 01/01/04 Ending: 12/31/04

XX. GENERAL INFORMATION:

(1) Are nursing employees (RN,LPN,NA) represented by a union? yes

(2) Are there any dues to nursing home associations included on the cost report? yes
If YES, give association name and amount. IHCA Dues $3,775

(3) Did the nursing home make political contributions or payments to a political action organization? yes If YES, have these costs been properly adjusted out of the cost report? yes

(4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? no If YES, what is the capacity?

(5) Have you properly capitalized all major repairs and equipment purchases? yes
What was the average life used for new equipment added during this period? 7

(6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. $ 18,428 Line 10

(7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? yes If NO, attach a complete explanation.

(8) Are you presently operating under a sale and leaseback arrangement? no
If YES, give effective date of lease.

(9) Are you presently operating under a sublease agreement? YES X NO

(10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.

(11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department of Public Aid during this cost report period. $ 164,700
This amount is to be recorded on line 42 of Schedule V.

(12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? no If YES, attach an explanation of the allocation.

(13) Have costs for all supplies and services which are of the type that can be billed to the Department of Public Aid, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? yes

(14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? no For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.

(15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. $ 24,963 Has any meal income been offset against related costs? no Indicate the amount. $ n/a

(16) Travel and Transportation
a. Are there costs included for out-of-state travel? no
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? no If YES, please indicate the amount of income earned from such a program during this reporting period. $
c. What percent of all travel expense relates to transportation of nurses and patients? 0
d. Have vehicle usage logs been maintained? yes
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? yes
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? yes
g. Does the facility transport residents to and from day training? no
Indicate the amount of income earned from providing such transportation during this reporting period. $

(17) Has an audit been performed by an independent certified public accounting firm? yes
Firm Name: BDO Seidman The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? no If no, please explain. Not yet completed

(18) Have all costs which do not relate to the provision of long term care been adjusted out out of Schedule V? yes

(19) If total legal fees are in excess of $2500, have legal invoices and a summary of services performed been attached to this cost report? yes
Attach invoices and a summary of services for all architect and appraisal fees.

Reclassifications - Pgs 3 and 4

From Line	To Line	Amount	Description
2		(24,904)	Employee Meal
	22	24,904	Employee Meal
22		(8,547)	Uniforms
	10	6,795	Uniforms
	1	873	Uniforms
	3	496	Uniforms
	11	184	Uniforms
	21	199	Uniforms
		(0)	Net should be 0